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BEFORE THE ARIZONA CORPORATION COMMISSION

2014 OCT - 1 P 3:01

COMMISSIONERS

BOB STUMP, Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

Arizona Corporation Commission

DOCKETED

OCT 07 2014

AZ CORP COMMISSION
DOCKET CONTROL

ORIGINAL

DOCKETED BY

IN THE MATTER OF THE
APPLICATION OF ABRA WATER
COMPANY, AN ARIZONA
CORPORATION, FOR A
DETERMINATION OF THE CURRENT
FAIR VALUE OF ITS UTILITY PLANT
AND PROPERTY AND FOR
INCREASES IN ITS RATES AND
CHARGES FOR UTILITY SERVICE.

DOCKET NO. W-01782A-14-0084

**NOTICE OF FILING FINAL
SCHEDULES**

Abra Water Company, Inc. ("Abra"), through undersigned counsel, hereby files its
Final Schedules in the above captioned docket.

RESPECTFULLY SUBMITTED this 7th day of October, 2014.

MUNGER CHADWICK, P.L.C.

Robert J. Metli
2398 E. Camelback Road, Suite 240
Phoenix, AZ 85016
Attorney for Abra Water Company, Inc.

ORIGINAL and thirteen (13) copies
filed this 7th day of October, 2014, with:

Docket Control
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

1 COPY of the foregoing mailed/hand-
2 delivered this 7th day of October, 2014, to:

3 Sarah N. Harpring
4 Administrative Law Judge
5 Arizona Corporation Commission
6 1200 W. Washington Street
7 Phoenix, Arizona 85007

8 Janice Alward, Chief Counsel
9 Legal Division
10 Arizona Corporation Commission
11 1200 W. Washington Street
12 Phoenix, Arizona 85007

13 Steven M. Olea, Director
14 Utilities Division
15 Arizona Corporation Commission
16 1200 W. Washington Street
17 Phoenix, Arizona 85007

18 By 
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Abra Water Company, Inc.
Test Year Ended December 31, 2012
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Final Schedule A-1
Page 1
Witness: Bourassa

Line
No.

1	Fair Value Rate Base	\$	555,666
2			
3	Adjusted Operating Income		30,860
4			
5	Current Rate of Return		5.55%
6			
7	Required Operating Income	\$	44,558
8			
9	Required Rate of Return on Fair Value Rate Base		8.02%
10			
11	Operating Income Deficiency	\$	13,698
12			
13	Gross Revenue Conversion Factor		1.2732
14			
15	Increase in Gross Revenue		
16	Requirement	\$	17,441
17			
18	Adjusted Test Year Revenues	\$	270,040
19	Increase in Gross Revenue Revenue Requirement	\$	17,441
20	Proposed Revenue Requirement	\$	287,480
21	% Increase		6.46%
22			

	<u>Present</u>	<u>Proposed</u>	<u>Dollar</u>	<u>Percent</u>
<u>Customer</u>	<u>Rates</u>	<u>Rates</u>	<u>Increase</u>	<u>Increase</u>
24 Classification				
25 5/8x3/4 Inch	\$ 245,084	\$ 261,875	\$ 16,791	6.85%
26 2 Inch	11,690	11,725	35	0.30%
27 Standpipe	4,371	4,553	182	4.17%
28 Coin-Op	4,905	5,109	204	4.17%
29		-	-	0.00%
30 Revenue Annualization	125	124	(1)	-0.72%
31 Subtotal	\$ 266,176	\$ 283,387	\$ 17,211	6.47%
32				
33 Other Water Revenues	7,758	7,758	-	0.00%
34 Declining Usage Adjustment	(3,395)	(3,615)	(220)	6.47%
35 Reconciling Amount	(499)	(50)	449	-89.98%
36 Rounding	-	-	-	0.00%
37 Total of Water Revenues	\$ 270,040	\$ 287,480	\$ 17,441	6.46%

40 SUPPORTING SCHEDULES:
41 B-1
42 C-1
43 C-3
44 H-1

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Summary of Rate Base

Exhibit
Final Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	Fair Value Rate Base
1			
2	Gross Utility Plant in Service	\$ 1,523,413	\$ 1,523,413
3	Less: Accumulated Depreciation	659,679	659,679
4			
5	Net Utility Plant in Service	\$ 863,734	\$ 863,734
6			
7	<u>Less:</u>		
8	Advances in Aid of Construction	196,858	196,858
9			
10	Contributions in Aid of Construction	365,823	365,823
11			
12	Accumulated Amortization of CIAC	(251,736)	(251,736)
13			
14	Customer Meter Deposits	14,650	14,650
15	Customer Security Deposits	3,067	3,067
16	Accumulated Deferred Income Tax	-	-
17			
18			
19	<u>Plus:</u>		
20			
21	Deferred Regulatory Assets TCE Plume	-	-
22	Deferred Tax Assets	-	-
23	Allowance for Working Capital	20,594	20,594
24			
25			
26	Total Rate Base	<u>\$ 555,666</u>	<u>\$ 555,666</u>
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41	<u>SUPPORTING SCHEDULES:</u>		
42	B-2		
43	B-3		
44	B-5		
45	E-1		
46			
47			
48			
49			
50			

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments

Exhibit
Final Schedule B-2
Page 1
Witness: Bourassa

Line No.		Actual at End of Test Year	Proforma Adjustment	Adjusted at end of Test Year
1	Gross Utility			
2	Plant in Service	\$ 1,523,413	-	\$ 1,523,413
3				
4	Less:			
5	Accumulated			
6	Depreciation	659,371	308	659,679
7				
8				
9	Net Utility Plant			
10	in Service	\$ 864,042		\$ 863,734
11				
12	Less:			
13	Advances in Aid of			
14	Construction	196,858	-	196,858
15				
16	Contributions in Aid of			
17	Construction - Gross	359,028	6,795	365,823
18				
19	Accumulated Amortization of CIAC	(257,496)	5,760	(251,736)
20				
21	Customer Meter Deposits	14,650	-	14,650
22	Customer Security Deposits	3,067	-	3,067
23	Accumulated Deferred Income Tax	-	-	-
24				-
25				-
26				
27	Plus:			
28				
29	Deferred Regulatory Assets TCE Plume	-		-
30	Prepayments	-		-
31	Materials and Supplies	-		-
32	Working capital	22,634	(2,040)	20,594
33				-
34				
35	Total	<u>\$ 570,570</u>		<u>\$ 555,666</u>

SUPPORTING SCHEDULES:

B-2, pages 2

E-1

RECAP SCHEDULES:

B-1

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments

Exhibit
Final Schedule B-2
Page 2
Witness: Bourassa

Line No.		Actual at End of Test Year	<u>Proforma Adjustments</u>					Adjusted at end of Test Year
			1 Plant-in- Service	2 Accumulated Depreciation	3 CIAC	4 Working Capital	5 Intentionally Left Blank	
1	Gross Utility							
2	Plant in Service	\$ 1,523,413	-					\$ 1,523,413
3								
4	Less:							
5	Accumulated							
6	Depreciation	659,371		308				659,679
7								
8								
9	Net Utility Plant							
10	in Service	\$ 864,042	\$ -	\$ (308)	\$ -	\$ -	\$ -	\$ 863,734
11								
12	Less:							
13	Advances in Aid of							
14	Construction	196,858						196,858
15								
16	Contributions in Aid of							
17	Construction (CIAC)	359,028			6,795			365,823
18								
19	Accumulated Amort of CIAC	(257,496)			5,760			(251,736)
20								
21	Customer Meter Deposits	14,650						14,650
22	Customer Security Deposits	3,067						3,067
23	Accumulated Deferred Income Taxes	-						-
24								
25								
26	Plus:							
27								
28	Deferred Regulatory Assets	-						-
29	Prepayments							
30	Materials and Supplies							
31	Allowance for Cash Working Capital	22,634				(2,040)		20,594
32								
33	Total	\$ 570,570	\$ -	\$ (308)	\$ (12,555)	\$ (2,040)	\$ -	\$ 555,666
34								
35								
36								

SUPPORTING SCHEDULES:

B-2, pages 3-5

B-5

E-1

RECAP SCHEDULES:

B-1

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments
Adjustment Number 1

Exhibit
Final Schedule B-2
Page 3
Witness: Bourassa

Plant-in-Service								
Line No.				Adjustments				
			A	B	C	D	E	
			Intentionally	Intentionally	Intentionally	Intentionally	Intentionally	Final
		Adjusted	Left	Left	Left	Left	Left	Adjusted
	Acct. No. Description	Original Cost	Blank	Blank	Blank	Blank	Blank	Original Cost
6	301 Organization Cost	508						508
7	302 Franchise Cost	787						787
8	303 Land and Land Rights	15,044						15,044
9	304 Structures and Improvements	72,787						72,787
10	305 Collecting and Impounding Res.	-						-
11	306 Lake River and Other Intakes	-						-
12	307 Wells and Springs	67,868						67,868
13	308 Infiltration Galleries and Tunnels	-						-
14	309 Supply Mains	-						-
15	310 Power Generation Equipment	-						-
16	311 Electric Pumping Equipment	77,467						77,467
17	320 Water Treatment Equipment	-						-
18	320.1 Water Treatment Plant	145,002						145,002
19	320.2 Chemical Solution Feeders	4,654						4,654
20	320.3 Media for Arsenic Treatment	65,560						65,560
21	330 Dist. Reservoirs & Standpipe	-						-
22	330.1 Storage tanks	197,626						197,626
23	330.2 Pressure Tanks	-						-
24	331 Trans. and Dist. Mains	659,578						659,578
25	333 Services	133,392						133,392
26	334 Meters	40,035						40,035
27	335 Hydrants	-						-
28	336 Backflow Prevention Devices	-						-
29	339 Other Plant and Misc. Equip.	9,890						9,890
30	340 Office Furniture and Fixtures	278						278
31	340.1 Computers and Software	6,098						6,098
32	341 Transportation Equipment	20,280						20,280
33	342 Stores Equipment	-						-
34	343 Tools and Work Equipment	65						65
35	344 Laboratory Equipment	-						-
36	345 Power Operated Equipment	-						-
37	346 Communications Equipment	1,855						1,855
38	347 Miscellaneous Equipment	95						95
39	348 Other Tangible Plant	4,545						4,545
40	Plant Held for Future Use	-						-
41	TOTALS	\$ 1,523,413	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,523,413
42								
43	Adjusted Plant-in-Service per Direct							\$ 1,523,413
44								
45	Increase (decrease) in Plant-in-Service							\$ -
46								
47	Adjustment to Plant-in-Service							\$ -
48								
49	SUPPORTING SCHEDULES							
50	B-2, pages 3.1 through 3.3							
51								

Abra Water Company, Inc.
Summary of Plant Adds, Retirements, and Accumulated Depreciation

Exhibit
Final Schedule B-2
Page 3.1
Witness: Bourassa

			Per Decision 72887		2010									
Line	NARUC		Allowed	Accum.	Plant		Adjusted	Plant	Adjusted			Plant	Accum.	
No.	Account	Description	Deprec. Rate	Deprec. At	at	Additions	Plant	Plant	Plant	Retirements	Salvage	Depreciation	Plant	
	No.			12/31/2009	12/31/2009	(Per Books)	Adjustments	Additions	(Per Books)	Retirements	A/V Only	(Calculated)	Balance	
1	301	Organization Cost	0.00%	508	-	-	-	-	-	-	-	-	508	
2	302	Franchise Cost	0.00%	787	-	-	-	-	-	-	-	-	787	
3	303	Land and Land Rights	0.00%	15,044	-	-	-	-	-	-	-	-	15,044	
4	304	Structures & Improvements	3.33%	72,787	6,420	-	-	-	-	-	-	2,424	72,787	
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-	
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-	
7	307	Wells & Springs	3.33%	63,078	45,272	-	-	-	-	-	-	2,100	63,078	
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	-	
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-	-	
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	
11	311	Pumping Equipment	12.50%	50,877	22,182	-	-	-	-	-	-	4,099	50,877	
12	320	Water Treatment Equipment	3.33%	-	-	-	-	-	-	-	-	-	-	
13	320.1	Water Treatment Plants	3.33%	65,102	12,700	-	79,900	79,900	-	-	-	3,498	145,002	
14	320.2	Solution Chemical Feeders	20.00%	4,654	2,725	-	-	-	-	-	-	572	4,654	
14	320.3	Arsenic Media	33.00%	79,900	31,968	-	-	-	-	-	21,301	26,631	79,900	
14	330	Distribution Reservoirs & Standpipes	2.22%	-	-	-	-	-	-	-	-	-	-	
16	330.1	Storage Tanks	2.22%	197,626	35,127	-	-	-	-	-	-	4,387	197,626	
17	330.2	Pressure Tanks	5.00%	-	-	-	-	-	-	-	-	-	-	
18	331	Transmission & Distribution Mains	2.00%	659,578	264,934	-	-	-	-	-	-	13,192	659,578	
19	333	Services	3.33%	133,378	62,483	14	-	14	-	-	-	4,442	133,392	
20	334	Meters	8.33%	35,125	21,458	1,014	-	1,014	-	-	-	2,968	36,139	
21	335	Hydrants	2.00%	-	-	-	-	-	-	-	-	-	-	
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-	
23	339	Other Plant & Misc Equipment	6.67%	9,890	4,072	-	-	-	-	-	-	660	9,890	
24	340	Office Furniture & Equipment	6.67%	278	171	-	-	-	-	-	-	19	278	
25	340.1	Computers & Software	20.00%	6,098	6,098	-	-	-	-	-	-	-	6,098	
26	341	Transportation Equipment	20.00%	20,280	13,380	-	-	-	-	-	-	4,056	20,280	
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-	
28	343	Tools, Shop & Garage Equipment	5.00%	65	65	-	-	-	-	-	-	-	65	
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	
30	345	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	
32	347	Miscellaneous Equipment	10.00%	95	9	-	-	-	-	-	-	10	95	
33	348	Other Tangible Plant	10.00%	4,545	4,094	-	-	-	-	-	-	451	4,545	
34		Plant Held for Future Use		-	-	-	-	-	-	-	-	-	-	
35														
36		TOTALS		1,419,695	533,158	1,028	79,900	80,928	-	-	21,301	69,508	1,500,623	

See Work Papers

Abra Water Company, Inc.
Summary of Plant Adds, Retirements, and Accumulated Depreciation

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate
1	301	Organization Cost	0.00%
2	302	Franchise Cost	0.00%
3	303	Land and Land Rights	0.00%
4	304	Structures & Improvements	3.33%
5	305	Collecting & Impounding Reservoirs	2.50%
6	306	Lake, River, Canal Intakes	2.50%
7	307	Wells & Springs	3.33%
8	308	Infiltration Galleries	6.67%
9	309	Raw Water Supply Mains	2.00%
10	310	Power Generation Equipment	5.00%
11	311	Pumping Equipment	12.50%
12	320	Water Treatment Equipment	3.33%
13	320.1	Water Treatment Plants	3.33%
14	320.2	Solution Chemical Feeders	20.00%
14	320.3	Arsenic Media	33.00%
14	330	Distribution Reservoirs & Standpipes	2.22%
16	330.1	Storage Tanks	2.22%
17	330.2	Pressure Tanks	5.00%
18	331	Transmission & Distribution Mains	2.00%
19	333	Services	3.33%
20	334	Meters	8.33%
21	335	Hydrants	2.00%
22	336	Backflow Prevention Devices	6.67%
23	339	Other Plant & Misc Equipment	6.67%
24	340	Office Furniture & Equipment	6.67%
25	340.1	Computers & Software	20.00%
26	341	Transportation Equipment	20.00%
27	342	Stores Equipment	4.00%
28	343	Tools, Shop & Garage Equipment	5.00%
29	344	Laboratory Equipment	10.00%
30	345	Power Operated Equipment	5.00%
31	346	Communication Equipment	10.00%
32	347	Miscellaneous Equipment	10.00%
33	348	Other Tangible Plant	10.00%
34		Plant Held for Future Use	
35			
36		TOTALS	

See Work Papers

Abra Water Company, Inc.
Summary of Plant Adds, Retirements, and Accumulated Depreciation

Exhibit
Final Schedule B-2
Page 3.2
Witness: Bourassa

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	2011							Plant Balance	Accum. Deprec.
				Plant Additions (Per Books)	Plant Adjustments	Adjusted Plant Additions	Plant Retirements (Per Books)	Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)		
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	508	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	787	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	15,044	-
4	304	Structures & Improvements	3.33%	-	-	-	-	-	-	2,424	72,787	11,268
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	-	-	-	-	-	-	2,100	63,078	49,473
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	-	-	-	-
11	311	Pumping Equipment	12.50%	1,400	-	1,400	-	-	-	4,187	52,277	30,468
12	320	Water Treatment Equipment	3.33%	-	-	-	-	-	-	-	-	-
13	320.1	Water Treatment Plants	3.33%	-	-	-	-	-	-	4,829	145,002	21,027
14	320.2	Solution Chemical Feeders	20.00%	-	-	-	-	-	-	572	4,654	3,869
14	320.3	Arsenic Media	33.00%	60,560	-	60,560	79,900	79,900	-	10,092	60,560	10,092
14	330	Distribution Reservoirs & Standpipes	2.22%	-	-	-	-	-	-	-	-	-
16	330.1	Storage Tanks	2.22%	-	-	-	-	-	-	4,387	197,626	43,902
17	330.2	Pressure Tanks	5.00%	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	-	-	-	-	-	-	13,192	659,578	291,317
19	333	Services	3.33%	-	-	-	-	-	-	4,442	133,392	71,367
20	334	Meters	8.33%	-	-	-	-	-	-	3,010	36,139	27,436
21	335	Hydrants	2.00%	-	-	-	-	-	-	-	-	-
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	-	660	9,890	5,391
24	340	Office Furniture & Equipment	6.67%	-	-	-	-	-	-	19	278	208
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	6,098	6,098
26	341	Transportation Equipment	20.00%	-	-	-	-	-	-	2,844	20,280	20,280
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-	-	-	65	65
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	10	95	28
33	348	Other Tangible Plant	10.00%	-	-	-	-	-	-	-	4,545	4,545
34		Plant Held for Future Use		-	-	-	-	-	-	-	-	-
35												
36		TOTALS		61,960	-	61,960	79,900	79,900	-	52,767	1,482,683	596,834

See Work Papers

Abra Water Company, Inc.
Summary of Plant Adds, Retirements, and Accumulated Depreciation

Exhibit
Final Schedule B-2
Page 3.3
Witness: Bourassa

NARUC Account			Allowed Deprec. Rate	2012							Accum. Deprec.	
Line No.	No.	Description		Plant Additions (Per Books)	Plant Adjustments	Adjusted Plant Additions	Plant Retirements (Per Books)	Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)		Plant Balance
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	508	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	787	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	15,044	-
4	304	Structures & Improvements	3.33%	-	-	-	-	-	2,424	-	72,787	13,691
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	4,790	-	4,790	-	-	-	2,180	67,868	51,653
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	-	-	-	-
11	311	Pumping Equipment	12.50%	25,190	-	25,190	-	-	5,849	-	77,467	36,317
12	320	Water Treatment Equipment	3.33%	-	-	-	-	-	-	-	-	-
13	320.1	Water Treatment Plants	3.33%	-	-	-	-	-	4,829	-	145,002	25,855
14	320.2	Solution Chemical Feeders	20.00%	-	-	-	-	-	572	-	4,654	4,441
14	320.3	Arsenic Media	33.00%	5,000	-	5,000	-	-	21,018	-	65,560	31,110
14	330	Distribution Reservoirs & Standpipes	2.22%	-	-	-	-	-	-	-	-	-
16	330.1	Storage Tanks	2.22%	-	-	-	-	-	4,387	-	197,626	48,289
17	330.2	Pressure Tanks	5.00%	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	-	-	-	-	-	13,192	-	659,578	304,509
19	333	Services	3.33%	-	-	-	-	-	4,442	-	133,392	75,809
20	334	Meters	8.33%	3,896	-	3,896	-	-	3,173	-	40,035	30,609
21	335	Hydrants	2.00%	-	-	-	-	-	-	-	-	-
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	660	-	9,890	6,051
24	340	Office Furniture & Equipment	6.67%	-	-	-	-	-	19	-	278	227
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	6,098	6,098
26	341	Transportation Equipment	20.00%	-	-	-	-	-	-	-	20,280	20,280
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-	-	-	65	65
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-
31	346	Communication Equipment	10.00%	1,855	-	1,855	-	-	93	-	1,855	93
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	10	-	95	38
33	348	Other Tangible Plant	10.00%	-	-	-	-	-	-	-	4,545	4,545
34		Plant Held for Future Use		-	-	-	-	-	-	-	-	-
35												
36		TOTALS		40,730	-	40,730	-	-	-	62,845	1,523,413	659,679
See Work Papers												

See Work Papers

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments
Adjustment Number 2

Exhibit
Final Schedule B-2
Page 4
Witness: Bourassa

<u>Accumulated Depreciation</u>							
Line No.			<u>A</u>	<u>B</u>	<u>Adjustments</u> <u>C</u>	<u>D</u>	<u>E</u>
	Acct. No. Description	Adjusted Accum. Depr.	Adjustments to Reconcile to A/D Balance	Intentionally Left Blank	Intentionally Left Blank	Intentionally Left Blank	Final Adjusted Accum. Depr.
1							
2							
3							
4							
5							
6	301	Organization Cost	-	-			-
7	302	Franchise Cost	-	-			-
8	303	Land and Land Rights	-	-			-
9	304	Structures and Improvements	13,691	-			13,691
10	305	Collecting and Impounding Res.	-	-			-
11	306	Lake River and Other Intakes	-	-			-
12	307	Wells and Springs	51,653	-			51,653
13	308	Infiltration Galleries and Tunnels	-	-			-
14	309	Supply Mains	-	-			-
15	310	Power Generation Equipment	-	-			-
16	311	Electric Pumping Equipment	36,317	-			36,317
17	320	Water Treatment Equipment	-	-			-
18	320.1	Water Treatment Plant	25,855	-			25,855
19	320.2	Chemical Solution Feeders	4,441	-			4,441
20	320.3	Media for Arsenic Treatment	30,802	308			31,110
21	330	Dist. Reservoirs & Standpipe	-	-			-
22	330.1	Storage tanks	48,289	-			48,289
23	330.2	Pressure Tanks	-	-			-
24	331	Trans. and Dist. Mains	304,509	-			304,509
25	333	Services	75,809	-			75,809
26	334	Meters	30,609	-			30,609
27	335	Hydrants	-	-			-
28	336	Backflow Prevention Devices	-	-			-
29	339	Other Plant and Misc. Equip.	6,051	-			6,051
30	340	Office Furniture and Fixtures	227	-			227
31	340.1	Computers and Software	6,098	-			6,098
32	341	Transportation Equipment	20,280	-			20,280
33	342	Stores Equipment	-	-			-
34	343	Tools and Work Equipment	65	-			65
35	344	Laboratory Equipment	-	-			-
36	345	Power Operated Equipment	-	-			-
37	346	Communications Equipment	93	-			93
38	347	Miscellaneous Equipment	38	-			38
39	348	Other Tangible Plant	4,545	-			4,545
40			-	-			-
41	TOTALS	\$ 659,371	\$ 308	\$ -	\$ -	\$ -	\$ 659,679
42							
43	Adjusted Accumulated Depreciation per Direct						\$ 659,371
44							
45	Increase (decrease) in Accumulated Depreciation						\$ 308
46							
47	Adjustment to Accumulated Depreciation						\$ 308
48							
49	<u>SUPPORTING SCHEDULES</u>						
50	B-2, pages 4.1						
51							

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments
Adjustment Number 2 - A

Exhibit
Final Schedule B-2
Page 4.1
Witness: Bourassa

Line

No.

Reconciliation of A/D to A/D Reconstruction

Acct.	Original	B-2	Adjusted	Plant	
No.	Cost	Adjustments	Original	Per	
Description	Cost		Cost	Reconstruction	Difference
301 Organization Cost	-	-	-	-	-
302 Franchise Cost	-	-	-	-	-
303 Land and Land Rights	-	-	-	-	-
304 Structures and Improvements	13,691	-	13,691	13,691	-
305 Collecting and Impounding Res.	-	-	-	-	-
306 Lake River and Other Intakes	-	-	-	-	-
307 Wells and Springs	51,653	-	51,653	51,653	-
308 Infiltration Galleries and Tunnels	-	-	-	-	-
309 Supply Mains	-	-	-	-	-
310 Power Generation Equipment	-	-	-	-	-
311 Electric Pumping Equipment	36,317	-	36,317	36,317	-
320 Water Treatment Equipment	-	-	-	-	-
320.1 Water Treatment Plant	25,855	-	25,855	25,855	-
320.2 Chemical Solution Feeders	4,441	-	4,441	4,441	-
320.3 Arsenic Media	30,802	-	30,802	31,110	308
330 Dist. Reservoirs & Standpipe	-	-	-	-	-
330.1 Storage tanks	48,289	-	48,289	48,289	-
330.2 Pressure Tanks	-	-	-	-	-
331 Trans. and Dist. Mains	304,509	-	304,509	304,509	-
333 Services	75,809	-	75,809	75,809	-
334 Meters	30,609	-	30,609	30,609	-
335 Hydrants	-	-	-	-	-
336 Backflow Prevention Devices	-	-	-	-	-
339 Other Plant and Misc. Equip.	6,051	-	6,051	6,051	-
340 Office Furniture and Fixtures	227	-	227	227	-
340.1 Computers and Software	6,098	-	6,098	6,098	-
341 Transportation Equipment	20,280	-	20,280	20,280	-
342 Stores Equipment	-	-	-	-	-
343 Tools and Work Equipment	65	-	65	65	-
344 Laboratory Equipment	-	-	-	-	-
345 Power Operated Equipment	-	-	-	-	-
346 Communications Equipment	93	-	93	93	-
347 Miscellaneous Equipment	38	-	38	38	-
348 Other Tangible Plant	4,545	-	4,545	4,545	-
Plant Held for Future Use	-	-	-	-	-
TOTALS	\$ 659,371	\$ -	\$ 659,371	\$ 659,679	\$ 308

SUPPORTING SCHEDULE

B-2, pages 3.1 through 3.3

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Abra Water Company, Inc.
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments
Adjustment 3

Exhibit
Final Schedule B-2
Page 5
Witness: Bourassa

Contributions-in-Aid of Construction (CIAC) and Accumulated Amortization

Line
No.

1			
2			
3			
4		Gross CIAC	Accumulated Amortization
5	Staff Recommended	\$ 365,823	\$ 251,736
6			
7	Book balance at 12/31/2012	<u>\$ 359,028</u>	<u>\$ 257,496</u>
8			
9	Increase (decrease)	\$ 6,795	\$ (5,760)
10			
11			
12	Adjustment to CIAC/AA CIAC	<u>\$ 6,795</u>	<u>\$ 5,760</u>
13	Label	3a	3b
14			
15			
16			
17			
18			
19	<u>SUPPORTING SCHEDULES</u>		
20	E-1		
21	Staff Adjustment No. 3 Schedule BCA-7		
22	Staff Adjustment No. 4 Schedule BCA-8		
23			
24			
25			
26			
27			
28			
29			
30			
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40			

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Computation of Working Capital

Exhibit
Final Schedule B-5
Page 1
Witness: Bourassa

Line
No.

1	Cash Working Capital (1/8 of Allowance	
2	Operation and Maintenance Expense)	\$ 19,866
3	Pumping Power (1/24 of Pumping Power)	720
4	Purchased Water (1/24 of Purchased Water)	8
5		
6		
7		
8		
9	Total Working Capital Allowance	<u>\$ 20,594</u>
10		
11		
12	Working Capital Requested	\$ 20,594
13		
14	Working Capital per Direct	\$ 22,634
15		
16	Increase(Decrease) in Working Capital	<u>\$ (2,040)</u>
17		
18		<u>Adjusted Test Year</u>
19	Total Operating Expense	\$ 239,180
20	Less:	
21	Income Tax	\$ 4,134
22	Property Tax	9,531
23	Depreciation	49,111
24	Purchased Water	191
25	Pumping Power	17,285
26	Allowable Expenses	<u>\$ 158,929</u>
27	1/8 of allowable expenses	<u>\$ 19,866</u>
28		
29		
30	<u>SUPPORTING SCHEDULES:</u>	<u>RECAP SCHEDULES:</u>
31	E-1	B-1
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Income Statement

Exhibit
Final Schedule C-1
Page 1
Witness: Bourassa

Line No.		Adjusted Test Year Results	Adjustment	Final Adjusted Results	Proposed Rate Increase	Adjusted with Rate Increase
1	Revenues					
2	Metered Water Revenues	\$ 262,282	\$ -	\$ 262,282	\$ 17,441	\$ 279,722
3	Unmetered Water Revenues	-	-	-	-	-
4	Other Water Revenues	7,758	-	7,758	-	7,758
5		<u>\$ 270,040</u>	<u>\$ -</u>	<u>\$ 270,040</u>	<u>\$ 17,441</u>	<u>\$ 287,480</u>
6	Operating Expenses					
7	Salaries and Wages	\$ -	-	\$ -	-	\$ -
8	Purchased Water	-	-	-	-	-
9	Purchased Power	17,285	-	17,285	-	17,285
10	Chemicals	191	-	191	-	191
11	Materials and Supplies	5,588	-	5,588	-	5,588
12	Office Supplies and Expense	10,243	-	10,243	-	10,243
13	Outside Services	107,983	(1,880)	106,103	-	106,103
14	Water Testing	6,123	(2,805)	3,318	-	3,318
15	Rents	10,307	(779)	9,528	-	9,528
16	Transportation Expenses	7,017	-	7,017	-	7,017
17	Insurance - General Liability	3,926	(447)	3,479	-	3,479
18	Insurance - Health and Life	2,988	-	2,988	-	2,988
19	Reg. Comm. Exp. - Other	-	-	-	-	-
20	Reg. Comm. Exp. - Rate Case	11,667	(2,917)	8,750	-	8,750
21	Miscellaneous Expense	-	-	-	-	-
22	Bad Debt Expense	9,367	(7,451)	1,916	-	1,916
23	Depreciation and Amortization Expense	51,585	(2,474)	49,111	-	49,111
24	Taxes Other Than Income	554	(554)	-	-	-
25	Property Taxes	9,714	(184)	9,531	205	9,736
26	Income Tax	(249)	4,384	4,134	3,538	7,672
27		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
28	Total Operating Expenses	<u>\$ 254,285</u>	<u>\$ (15,106)</u>	<u>\$ 239,180</u>	<u>\$ 3,743</u>	<u>\$ 242,923</u>
29	Operating Income	<u>\$ 15,754</u>	<u>\$ 15,106</u>	<u>\$ 30,860</u>	<u>\$ 13,698</u>	<u>\$ 44,558</u>
30	Other Income (Expense)					
31	Interest Income	-	-	-	-	-
32	Other income	-	-	-	-	-
33	Interest Expense	(20,038)	5,186	(14,852)	-	(14,852)
34	Other Expense	-	-	-	-	-
35		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
36	Total Other Income (Expense)	<u>\$ (20,038)</u>	<u>\$ 5,186</u>	<u>\$ (14,852)</u>	<u>\$ -</u>	<u>\$ (14,852)</u>
37	Net Profit (Loss)	<u>\$ (4,283)</u>	<u>\$ 20,291</u>	<u>\$ 16,008</u>	<u>\$ 13,698</u>	<u>\$ 29,706</u>

SUPPORTING SCHEDULES:

C-1, page 2

E-2

RECAP SCHEDULES:

A-1

Exhibit
Final Schedule C-1
Page 2.1
Witness: Bourassa

SUPPORTING SCHEDULES:
C-2
E-2

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Income Statement

Exhibit
Final Schedule C-1
Page 2.2
Witness: Bourassa

Line No.	10 Interest Synch.	11 Income Taxes	12 Intentionally Left Blank	13 Intentionally Left Blank	14 Intentionally Left Blank	15 Intentionally Left Blank	16 Intentionally Left Blank	17 Intentionally Left Blank	Final Adjusted Results	Proposed Rate Increase	Adjusted with Rate Increase
1	Revenues										
2	Metered Water Revenues								\$ 262,282	\$ 17,441	\$ 279,722
3	Unmetered Water Revenues								-		-
4	Other Water Revenues								7,758		7,758
5		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,040	\$ 17,441	\$ 287,480
6	Operating Expenses										
7	Salaries and Wages								\$ -	\$ -	\$ -
8	Purchased Water								-		-
9	Purchased Power								17,285		17,285
10	Chemicals								191		191
11	Materials and Supplies								5,588		5,588
12	Office Supplies and Expense								10,243		10,243
13	Outside Services								106,103		106,103
14	Water Testing								3,318		3,318
15	Rents								9,528		9,528
16	Transportation Expenses								7,017		7,017
17	Insurance - General Liability								3,479		3,479
18	Insurance - Health and Life								2,988		2,988
19	Reg. Comm. Exp. - Other								-		-
20	Reg. Comm. Exp. - Rate Case								8,750		8,750
21	Miscellaneous Expense								-		-
22	Bad Debt Expense								1,916		1,916
23	Depreciation and Amortization Expense								49,111		49,111
24	Taxes Other Than Income								-		-
25	Property Taxes								9,531	205	9,736
26	Income Tax		4,384						4,134	3,538	7,672
27											
28	Total Operating Expenses	\$ -	\$ 4,384	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 239,180	\$ 3,743	\$ 242,923
29	Operating Income	\$ -	\$ (4,384)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,860	\$ 13,698	\$ 44,558
30	Other Income (Expense)										
31	Interest Income								-		-
32	Other Income								-		-
33	Interest Expense	5,186							(14,852)		(14,852)
34	Other Expense								-		-
35									-		-
36	Total Other Income (Expense)	\$ 5,186	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (14,852)	\$ -	\$ (14,852)
37	Net Profit (Loss)	\$ 5,186	\$ (4,384)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,008	\$ 13,698	\$ 29,706

SUPPORTING SCHEDULES:
C-2
E-2

RECAP SCHEDULES:
C-1, page 1

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Adjustments to Revenues and Expenses

Exhibit
Final Schedule C-2
Page 1
Witness: Bourassa

Line No.	<u>Adjustments to Revenues and Expenses</u>						
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	
	<u>Depreciation</u>	<u>Property Taxes</u>	<u>Rate Case Expense</u>	<u>Outside Services</u>	<u>Water Testing</u>	<u>Rent Expense</u>	<u>Subtotal</u>
4 Revenues							-
6 Expenses	(2,474)	(184)	(2,917)	(1,880)	(2,805)	(779)	(11,038)
8 Operating Income	2,474	184	2,917	1,880	2,805	779	11,038
11 Interest Expense							-
13 Other Income / Expense							-
17 Net Income	2,474	184	2,917	1,880	2,805	779	11,038
	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>	
	<u>General Liability Insurance</u>	<u>Bad Debt Expense</u>	<u>Taxes Other Than Income</u>	<u>Interest Synch.</u>	<u>Income Taxes</u>	<u>Intentionally Left Blank</u>	<u>Subtotal</u>
25 Revenues							-
27 Expenses	(447)	(7,451)	(554)		4,384	-	(15,106)
29 Operating Income	447	7,451	554	-	(4,384)	-	15,106
32 Interest Expense				5,186			5,186
34 Other Income / Expense							-
38 Net Income	447	7,451	554	5,186	(4,384)	-	20,291

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Final Schedule C-2
Page 2
Witness: Bourassa

Depreciation Expense

Line No.	Acct.	No.	Description	Adjusted Original Cost	Fully Depr or Non-Depr Plant	Final Adjusted Original Cost	Proposed Rates	Depreciation Expense
1		301	Organization Cost	508	(508)	-	0.00%	-
2		302	Franchise Cost	787	(787)	-	0.00%	-
3		303	Land and Land Rights	15,044	(15,044)	-	0.00%	-
4		304	Structures and Improvements	72,787		72,787	3.33%	2,424
5		305	Collecting and Impounding Res	-		-	2.50%	-
6		306	Lake River and Other Intakes	-		-	2.50%	-
7		307	Wells and Springs	67,868		67,868	3.33%	2,260
8		308	Infiltration Galleries and Tunnel	-		-	6.67%	-
9		309	Supply Mains	-		-	2.00%	-
10		310	Power Generation Equipment	-		-	5.00%	-
11		311	Electric Pumping Equipment	77,467	(18,083)	59,384	12.50%	7,423
12		320	Water Treatment Equipment	-		-	3.33%	-
13		320.1	Water Treatment Plant	145,002		145,002	3.33%	4,829
14		320.2	Chemical Solution Feeders	4,654	(1,794)	2,860	20.00%	572
15		320.3	Media for Arsenic Treatment	65,560		65,560	33.33%	21,851
16		330	Dist. Reservoirs & Standpipe	-		-	2.22%	-
17		330.1	Storage tanks	197,626		197,626	2.22%	4,387
18		330.2	Pressure Tanks	-		-	5.00%	-
19		331	Trans. and Dist. Mains	659,578		659,578	2.00%	13,192
20		333	Services	133,392		133,392	3.33%	4,442
21		334	Meters	40,035		40,035	8.33%	3,335
22		335	Hydrants	-		-	2.00%	-
23		336	Backflow Prevention Devices	-		-	6.67%	-
24		339	Other Plant and Misc. Equip.	9,890		9,890	6.67%	660
25		340	Office Furniture and Fixtures	278		278	6.67%	19
26		340.1	Computers and Software	6,098	(6,098)	-	20.00%	-
27		341	Transportation Equipment	20,280	(20,280)	-	20.00%	-
28		342	Stores Equipment	-		-	4.00%	-
29		343	Tools and Work Equipment	65	(65)	-	5.00%	-
30		344	Laboratory Equipment	-		-	10.00%	-
31		345	Power Operated Equipment	-		-	5.00%	-
32		346	Communications Equipment	1,855		1,855	10.00%	186
33		347	Miscellaneous Equipment	95		95	10.00%	10
34		348	Other Tangible Plant	4,545	(4,545)	-	10.00%	-
35			TOTALS	\$ 1,523,413	\$ (67,204)	\$ 1,456,209		\$ 65,587
36						<u>Gross CIAC</u>	<u>Amort. Rate</u>	
37			Less: Amortization of Contributions			\$ 365,823	4.5040%	\$ (16,477)
38								
39								
40								
41								
42								
43								
44								
45								
46								
47								
48								
49			Total Depreciation Expense					<u>\$ (16,477)</u>
50								<u>\$ 49,111</u>
51			Adjusted Test Year Depreciation Expense					<u>51,585</u>
52								
53			Increase (decrease) in Depreciation Expense					<u>(2,474)</u>
54								
55			Adjustment to Revenues and/or Expenses					<u>\$ (2,474)</u>
56								
57			<u>SUPPORTING SCHEDULE</u>					
58			B-2, page 3					

*Fully Depreciated/Amortized

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 2

Exhibit
Final Schedule C-2
Page 3
Witness: Bourassa

Property Taxes

Line No.	DESCRIPTION	Test Year as adjusted	Company Recommended
1	Company Adjusted Test Year Revenues	\$ 270,040	\$ 270,040
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	540,080	540,080
4	Company Recommended Revenue	270,040	287,480
5	Subtotal (Line 4 + Line 5)	810,119	827,560
6	Number of Years	3	3
7	Three Year Average (Line 5 / Line 6)	270,040	275,853
8	Department of Revenue Multiplier	2	2
9	Revenue Base Value (Line 7 * Line 8)	540,080	551,707
10	Plus: 10% of CWIP (intentionally excluded)	-	-
11	Less: Net Book Value of Licensed Vehicles	-	-
12	Full Cash Value (Line 9 + Line 10 - Line 11)	540,080	551,707
13	Assessment Ratio	19.0%	19.0%
14	Assessment Value (Line 12 * Line 13)	102,615	104,824
15	Composite Property Tax Rate - Obtained from ADOR	9.2877%	9.2877%
16	Test Year Adjusted Property Tax Expense (Line 14 * Line 15)	\$ 9,531	\$ 9,736
17	Tax on Parcels	-	-
18	Total Property Taxes (Line 16 + Line 17)	\$ 9,531	
19	Test Year Property Taxes	\$ 9,714	
20	Adjustment to Test Year Property Taxes (Line 18 - Line 19)	\$ (184)	
21			
22	Property Tax on Company Recommended Revenue (Line 16 + Line 17)		\$ 9,736
23	Company Test Year Adjusted Property Tax Expense (Line 18)		\$ 9,531
24	Increase in Property Tax Due to Increase in Revenue Requirement		\$ 205
25			
26	Increase in Property Tax Due to Increase in Revenue Requirement (Line 24)		\$ 205
27	Increase in Revenue Requirement		\$ 17,441
28	Increase in Property Tax Per Dollar Increase in Revenue (Line 26 / Line 27)		1.17644%
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 3

Exhibit
Final Schedule C-2
Page 4
Witness: Bourassa

Rate Case Expense

Line

No.

1

2

3

Estimated Rate Case Expense

\$ 35,000

4

5

Estimated Amortization Period in Years

4

6

7

Annual Rate Case Expense

\$ 8,750

8

9

Adjusted Test Year Rate Case Expense

\$ 11,667

10

11

Increase(decrease) Rate Case Expense

\$ (2,917)

12

13

Adjustment to Revenue and/or Expense

\$ (2,917)

14

15

16

Reference

17

Testimony

18

19

20

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 4

Exhibit
Final Schedule C-2
Page 5
Witness: Bourassa

Outside Services

Line
No.

1		
2	Staff Recommended Outside Services Expense	\$ 106,103
3		
4	Test Year Outside Services Expense	107,983
5		
6	Adjustment to Revenues	<u>\$ (1,880)</u>
7		
8		
9	Adjustment to Revenue and/or Expense	<u>\$ (1,880)</u>
10		
11		
12		

13 SUPPORTING SCHEDULES

14 Staff Adjustment No. 1 Schedule BCA-12

15

16

17

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Abra Water Company, Inc.
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 5

Exhibit
Final Schedule C-2
Page 6
Witness: Bourassa

Water Testing

Line

No.

1			
2	Staff Recommended Water Testing Expense	\$	3,318
3			
4	Test Year Water Testing Expense		6,123
5			
6	Adjustment to Revenues	<u>\$</u>	<u>(2,805)</u>
7			
8			
9	Adjustment to Revenue and/or Expense		<u>(2,805)</u>
10			
11	<u>Reference</u>		
12	Staff Adjustment No. 2 Schedule BCA-13		
13			
14			
15			
16			
17			
18			
19			
20			

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 6

Exhibit
Final Schedule C-2
Page 7
Witness: Bourassa

Rent Expense

Line

No.

1

2 Staff Recommended Rent Expense

\$ 9,528

3

4 Test Year Rent Expense

10,307

5

6 Adjustment to Revenues

\$ (779)

7

8

9 Adjustment to Revenue and/or Expense

\$ (779)

10

11

12

13 SUPPORTING SCHEDULES

14 Staff Adjustment No. 3 Schedule BCA-14

15

16

17

18

19

20

21

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23

Abra Water Company, Inc.
Test Year Ended December 31, 2001
Adjustment to Revenues and Expenses
Adjustment Number 7

Exhibit
Final Schedule C-2
Page 8
Witness: Bourassa

General Liability Insurance

Line

No.

1		
2	Staff Recommended General Liability Insurance Expense	\$ 3,479
3		
4	Test Year General Liability Insurance Expense	3,926
5		
6	Adjustment to Revenues	<u>\$ (447)</u>
7		
8		
9	Adjustment to Revenue and/or Expense	<u>\$ (447)</u>
10		

11

12

13 SUPPORTING SCHEDULES

14 Staff Adjustment No. 4 Schedule BCA-15

15

16

17

18

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20

Abra Water Company, Inc.
Test Year Ended December 31, 2001
Adjustment to Revenues and Expenses
Adjustment Number 8

Exhibit
Final Schedule C-2
Page 9
Witness: Bourassa

Bad Debt Expense

Line

No.

1			
2	2013 Actual Write-Off's accounts originating 2008-2011	\$	7,664
3			
4	Number of Years		4.00
5			
6	Average Annual Actual Write-Offs	\$	1,916
7			
8	Test Year Bad Debt Expense		9,367
9			
10	Adjustment to Bad Debt Expense	\$	<u>(7,451)</u>
11			
12			
13			
14	Adjustment to Revenue and/or Expense	\$	<u>(7,451)</u>
15			
16	<u>Reference</u>		
17	Testimony		
18	Work papers		
19			
20			
21			
22			
23			
24			

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 9

Exhibit
Final Schedule C-2
Page 10
Witness: Bourassa

Taxes Other Than Income

Line

No.

1			
2	Staff Recommended General Liability Insurance Expense	\$	-
3			
4	Test Year General Liability Insurance Expense		554
5			
6	Adjustment to Revenues	<u>\$</u>	<u>(554)</u>
7			
8			
9	Adjustment to Revenue and/or Expense	<u>\$</u>	<u>(554)</u>
10			
11			
12			

13 SUPPORTING SCHEDULES

14 Staff Adjustment No. 9 Schedule BCA-20

15

16

17

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Abra Water Company, Inc.
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 10

Exhibit
Final Schedule C-2
Page 11
Witness: Bourassa

Interest Synchronization

Line
No.

1			
2			
3			
4	Fair Value Rate Base	\$	555,666
5	Weighted Cost of Debt		2.67%
6	Interest Expense	\$	14,852
7			
8	Test Year Interest Expense	\$	<u>20,038</u>
9			
10	Increase (decrease) in Interest Expense		(5,186)
11			
12			
13			
14	Adjustment to Revenue and/or Expense	\$	<u><u>5,186</u></u>
15			
16			

17 Weighted Cost of Debt Computation

	<u>Percent</u>	<u>Cost</u>	<u>Weighted Cost</u>
18			
19			
20	Debt	51.40%	5.20%
21	Equity	48.60%	11.00%
22	Total	<u>100.00%</u>	<u>8.02%</u>
23			
24			
25			
26			
27			
28			
29			
30			

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Adjustment to Revenues and/or Expenses
Adjustment Number 11

Exhibit
Final Schedule C-2
Page 12
Witness: Bourassa

Line
No.

Income Taxes

2

3

4 Computed Income Tax

5 Test Year Income tax Expense

6 Adjustment to Income Tax Expense

7

8

9

10

11

12

SUPPORTING SCHEDULE

14 C-3, page 2

15

16

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30

	Test Year at Present Rates	Test Year at Proposed Rates
	\$ 4,134	\$ 7,672
	-	4,134
	<u>\$ 4,134</u>	<u>\$ 3,538</u>

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Computation of Gross Revenue Conversion Factor

Exhibit
Final Schedule C-3
Page 1
Witness: Bourassa

Line No.	Description	Percentage of Incremental Gross Revenues
1	Combined Federal and State Effective Income Tax Rate	20.525%
2		
3	Property Taxes	<u>0.935%</u>
4		
5		
6	Total Tax Percentage	21.460%
7		
8	Operating Income % = 100% - Tax Percentage	78.540%
9		
10		
11		
12		
13	<u>1</u> = Gross Revenue Conversion Factor	
14	Operating Income %	1.2732
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25	<u>SUPPORTING SCHEDULES:</u>	<u>RECAP SCHEDULES:</u>
26	C-3, page 2	A-1
27		
28		
29		
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39		
40		

Abra Water Company, Inc.
Test Year Ended December 31, 2012

Exhibit
Final Schedule C-3
Page 2
Witness: Bourassa

GROSS REVENUE CONVERSION FACTOR

Line No.	Description	(A)	(B)	(C)	(D)	(E)	(F)
<u>Calculation of Gross Revenue Conversion Factor:</u>							
1	Revenue			100.0000%			
2	Uncollectible Factor (Line 11)			0.0000%			
3	Revenues (L1 - L2)			100.0000%			
4	Combined Federal and State Income Tax and Property Tax Rate (Line 23)			21.4600%			
5	Subtotal (L3 - L4)			78.5400%			
6	Revenue Conversion Factor (L1 / L5)			1.273236			
<u>Calculation of Uncollectible Factor:</u>							
7	Unity			100.0000%			
8	Combined Federal and State Tax Rate (L17)			20.5250%			
9	One Minus Combined Income Tax Rate (L7 - L8)			79.4750%			
10	Uncollectible Rate			0.0000%			
11	Uncollectible Factor (L9 * L10)			0.0000%			
<u>Calculation of Effective Tax Rate:</u>							
12	Operating Income Before Taxes (Arizona Taxable Income)			100.0000%			
13	Arizona State Income Tax Rate			6.5000%			
14	Federal Taxable Income (L12 - L13)			93.5000%			
15	Applicable Federal Income Tax Rate (L55 Col F)			15.0000%			
16	Effective Federal Income Tax Rate (L14 x L15)			14.0250%			
17	Combined Federal and State Income Tax Rate (L13 + L16)			20.5250%			
<u>Calculation of Effective Property Tax Factor:</u>							
18	Unity			100.0000%			
19	Combined Federal and State Income Tax Rate (L17)			20.5250%			
20	One Minus Combined Income Tax Rate (L18-L19)			79.4750%			
21	Property Tax Factor			1.1764%			
22	Effective Property Tax Factor (L20*L21)			0.9350%			
23	Combined Federal and State Income Tax and Property Tax Rate (L17+L22)			21.4600%			
24	Required Operating Income	\$	44,558				
25	Adjusted Test Year Operating Income (Loss)	\$	30,860				
26	Required Increase in Operating Income (L24 - L25)			\$	13,698		
27	Income Taxes on Recommended Revenue (Col. (F), L52)	\$	7,672				
28	Income Taxes on Test Year Revenue (Col. (C), L52)	\$	4,134				
29	Required Increase in Revenue to Provide for Income Taxes (L27 - L28)			\$	3,538		
30	Recommended Revenue Requirement	\$	287,480				
31	Uncollectible Rate (Line 10)		0.0000%				
32	Uncollectible Expense on Recommended Revenue (L24 * L25)	\$	-				
33	Adjusted Test Year Uncollectible Expense	\$	-				
34	Required Increase in Revenue to Provide for Uncollectible Exp.			\$	-		
35	Property Tax with Recommended Revenue	\$	9,736				
36	Property Tax on Test Year Revenue	\$	9,531				
37	Increase in Property Tax Due to Increase in Revenue (L35-L36)			\$	205		
38	Total Required Increase in Revenue (L26 + L29 + L37)			\$	17,441		

	(A)	(B)	(C)	(D)	(E)	(F)
<u>Calculation of Income Tax:</u>						
39	Revenue	\$ 270,040	\$ 270,040	\$ 287,480		\$ 287,480
40	Operating Expenses Excluding Income Taxes	\$ 235,046	\$ 235,046	\$ 235,251		\$ 235,251
41	Synchronized Interest (L47)	\$ 14,852	\$ 14,852	\$ 14,852		\$ 14,852
42	Arizona Taxable Income (L39 - L40 - L41)	\$ 20,142	\$ 20,142	\$ 37,378		\$ 37,378
43	Arizona State Effective Income Tax Rate (see work papers)	6.5000%	6.5000%	6.5000%		6.5000%
44	Arizona Income Tax (L42 x L43)	\$ 1,309	\$ 1,309	\$ 2,430		\$ 2,430
45	Federal Taxable Income (L42- L44)	\$ 18,833	\$ 18,833	\$ 34,948		\$ 34,948
46	Federal Tax on First Income Bracket (\$1 - \$50,000) @ 15%	\$ 2,825	\$ 2,825	\$ 5,242		\$ 5,242
47	Federal Tax on Second Income Bracket (\$50,001 - \$75,000) @ 25%	\$ -	\$ -	\$ -		\$ -
48	Federal Tax on Third Income Bracket (\$75,001 - \$100,000) @ 34%	\$ -	\$ -	\$ -		\$ -
49	Federal Tax on Fourth Income Bracket (\$100,001 - \$335,000) @ 39%	\$ -	\$ -	\$ -		\$ -
50	Federal Tax on Fifth Income Bracket (\$335,001 - \$10,000,000) @ 34%	\$ -	\$ -	\$ -		\$ -
51	Total Federal Income Tax	\$ 2,825	\$ 2,825	\$ 5,242		\$ 5,242
52	Combined Federal and State Income Tax (L35 + L42)	\$ 4,134	\$ 4,134	\$ 7,672		\$ 7,672
55	COMBINED Applicable Federal Income Tax Rate [Col. (D), L53 - Col. (A), L53] / [Col. (D), L45 - Col. (A), L45]			15.0000%		
56	WASTEWATER Applicable Federal Income Tax Rate [Col. (E), L53 - Col. (B), L53] / [Col. (E), L45 - Col. (B), L45]			0.0000%		
57	WATER Applicable Federal Income Tax Rate [Col. (F), L53 - Col. (C), L53] / [Col. (F), L45 - Col. (C), L45]					15.0000%

Calculation of Interest Synchronization:

58	Rate Base	\$ 555,666
59	Weighted Average Cost of Debt	2.6728%
60	Synchronized Interest (L59 X L60)	\$ 14,852

Exhibit
Final Schedule D-2
Page 1
Witness: Bourassa

[illegible]

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Cost of Preferred Stock

Exhibit
Final Schedule D-3
Page 1
Witness: Bourassa

Line
No.

End of Test Year

End of Projected Year

Description of Issue	Shares Outstanding	Amount	Dividend Requirement	Shares Outstanding	Amount	Dividend Requirement
-------------------------	-----------------------	--------	-------------------------	-----------------------	--------	-------------------------

NOT APPLICABLE, NO PREFERRED STOCK ISSUED OR OUTSTANDING

SUPPORTING SCHEDULES:

E-1

RECAP SCHEDULES:

D-1

Abra Water Company, Inc.
Test Year Ended December 31, 2012
Cost of Common Equity

Exhibit
Final Schedule D-4
Page 1
Witness: Bourassa

Line
No.

1
2 The Company is proposing a cost of common equity of 11.00% .
3
4
5
6
7
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13
14
15
16

17 SUPPORTING SCHEDULES:
18 E-1
19 D-4.1 to D-4.6
20 Testimony

RECAP SCHEDULES:
D-1

Abra Water Company, Inc.
COST OF EQUITY (COE) USING RISK PREMIUM BUILD-UP METHOD
Based on Duff and Phelps Risk Premium Study Data

Exhibit
Final Schedule D-4.1
Witness: Bourassa

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¹ From Value Line Analyzer Data and/or Zacks Investment Research

² From Value Line Analyzer Data and/or Zacks Investment Research. From E-1 for subject utility.

³ Net Income. From Zacks Investment Research and Company ACC reports

Net Income Data (\$ millions)

<u>Company</u>	<u>Symbol</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>Average</u>
American States	AWR	\$ 62.7	\$ 54.0	\$ 45.9	\$ 33.2	\$ 29.5	\$ 45.1
Aqua America	WTR	\$ 205.0	\$ 197.0	\$ 143.1	\$ 124.0	\$ 104.4	\$ 154.7
California Water	CWT	\$ 47.3	\$ 49.0	\$ 37.7	\$ 37.7	\$ 40.6	\$ 42.4
Connecticut Water	CTWS	\$ 18.3	\$ 14.0	\$ 11.3	\$ 9.8	\$ 10.2	\$ 12.7
Middlesex	MSEX	\$ 16.6	\$ 14.0	\$ 13.4	\$ 14.3	\$ 10.0	\$ 13.7
SJW Corp.	SJW	\$ 23.5	\$ 22.0	\$ 20.9	\$ 24.4	\$ 15.2	\$ 21.2

Net Income data for publicly traded water utilities from Zacks Investment Research and/or Yahoo Finance

⁴ Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA).

EBITDA Data (\$ millions)

<u>Company</u>	<u>Symbol</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>Average</u>
American States	AWR	\$ 161.0	\$ 154.0	\$ 133.3	\$ 134.4	\$ 122.6	\$ 141.1
Aqua America	WTR	\$ 424.3	\$ 439.0	\$ 397.8	\$ 473.2	\$ 415.2	\$ 429.9
California Water	CWT	\$ 155.0	\$ 151.0	\$ 143.3	\$ 155.7	\$ 125.5	\$ 146.1
Connecticut Water	CTWS	\$ 43.4	\$ 30.0	\$ 24.2	\$ 22.5	\$ 20.3	\$ 28.1
Middlesex	MSEX	\$ 42.1	\$ 39.0	\$ 34.6	\$ 43.3	\$ 34.6	\$ 38.7
SJW Corp.	SJW	\$ 91.4	\$ 90.0	\$ 87.1	\$ 75.4	\$ 93.5	\$ 87.5

EBITDA data for publicly traded water utilities from Zacks Investment Research and/or Yahoo Finance

Abra Water Company, Inc.
COST OF EQUITY (COE) USING RISK PREMIUM BUILD-UP METHOD
Based on Duff and Phelps Risk Premium Study Data

MRP_{m+s} Estimates Using Duff & Phelps Study (Unlevered)

Assumes 100% Equity and 0% debt

Data Smoothing with Regression Analysis

*Smoothed Premium (RP_{m+s}) = Constant + X Coefficients * Log(Relevant Metric)*

$$RP_{\text{unlevered}} = RP_{\text{levered}} - W_d/W_e * (\beta_d - \beta_e) * RP_{\text{market}}$$

Where β_e = unlevered portfolio beta

β_d = debt beta, assumed to be 0.1

W_d = percentage of debt in capital structure

W_e = percentage of equity in capital structure

RP_{levered} = levered realized risk premium

Exhibit

Final Schedule D-4.2

Witness: Bourassa

	MV Equity (Table C-1)	Book Equity (Table C-2)	MVIC (Table C-4)	5 Yr Avg. Net Income (Table C-3)	Total Assets (Table C-5)	5 Yr Avg. EBITDA (Table C-6)
Constant	19.089%	16.046%	19.463%	13.763%	18.027%	15.308%
X Coefficient(s)	-3.233%	-2.591%	-3.243%	-2.623%	-2.851%	-2.736%

			MRP _{m+s} (unlevered)					
	Company	Symbol	MV Equity	Book Equity	MVIC	5 Yr Avg. Net Income	Total Assets	5 Yr Avg. EBITDA
1.	American States	AWR	9.08%	9.07%	9.09%	9.43%	9.17%	9.43%
2.	Aqua America	WTR	6.32%	7.79%	6.44%	8.02%	7.52%	8.10%
3.	California Water	CWT	9.16%	8.85%	9.07%	9.49%	8.62%	9.39%
4.	Connecticut Water	CTWS	11.44%	10.10%	11.00%	10.87%	10.15%	11.35%
5.	Middlesex	MSEX	10.73%	10.15%	10.67%	10.78%	10.19%	10.96%
6.	SJW Corp.	SJW	9.97%	9.55%	9.74%	10.28%	9.37%	10.00%
Average (unlevered)			9.45%	9.25%	9.34%	9.81%	9.17%	9.87%
								Average
								9.21%
								7.36%
								9.10%
								10.82%
								10.58%
								9.82%

Abra Water Company, Inc.
COST OF EQUITY (COE) USING RISK PREMIUM BUILD-UP METHOD
Based on Duff and Phelps Risk Premium Study Data

Unlevered Portfolio Beta
(from Duff & Phelps RP Study - Table C)

Exhibit
Final Schedule D-4.3
Witness: Bourassa

			Unlevered Portfolio Beta (β_u)					
	<u>Company</u>	<u>Symbol</u>	<u>(Table C-1)</u>	<u>(Table C-2)</u>	<u>(Table C-4)</u>	<u>(Table C-3)</u>	<u>(Table C-5)</u>	<u>(Table C-6)</u>
1.	American States	AWR	0.94	0.96	0.95	0.95	0.97	0.95
2.	Aqua America	WTR	0.87	0.89	0.86	0.88	0.83	0.86
3.	California Water	CWT	0.98	0.96	0.95	0.95	0.94	0.96
4.	Connecticut Water	CTWS	0.96	0.98	0.97	0.97	0.99	1.03
5.	Middlesex	MSEX	0.96	1.00	0.98	0.97	0.99	0.99
6.	SJW Corp.	SJW	0.98	0.98	0.98	0.99	0.97	0.95
	Average		0.95	0.96	0.95	0.95	0.95	0.95

Abra Water Company, Inc.
COST OF EQUITY (COE) USING RISK PREMIUM BUILD-UP METHOD
Based on Duff and Phelps Risk Premium Study Data

MRP Estimates Using Duff & Phelps Study (Relevered)
Relevered Realized Risk Premium

$$RP_{\text{relevered}} = RP_{\text{unlevered}} + W_d/W_e \cdot (\beta_d - \beta_d) \cdot RP_{\text{market}}$$

Where β_u = unlevered portfolio beta

β_d = debt beta, assumed to be 0.1

W_d = percentage of debt in capital structure

W_e = percentage of equity in capital structure

$RP_{\text{unlevered}}$ = unlevered realized risk premium from Schedule D-4.3

RP_{market} = general equity risk premium for the market since 1963 through 2012

Exhibit
Final Schedule D-4.4
Witness: Bourassa

		MRP _{MRP} (Relevered)							
	Company	Symbol	MV		Book		5 Yr Avg.	Total	5 Yr Avg.
			<u>W_d/W_e</u>	<u>Equity</u>	<u>Equity</u>	<u>MVIC</u>	<u>Net Income</u>	<u>Assets</u>	<u>EBITDA</u>
1.	American States	AWR	26.1%	10.15%	10.17%	10.18%	10.51%	10.28%	10.51%
2.	Aqua America	WTR	16.5%	6.94%	8.43%	7.05%	8.65%	8.11%	8.68%
3.	California Water	CWT	36.3%	10.73%	10.38%	10.58%	11.01%	10.11%	10.92%
4.	Connecticut Water	CTWS	75.3%	14.61%	13.35%	14.21%	14.08%	13.43%	14.78%
5.	Middlesex	MSEX	33.7%	12.15%	11.64%	12.13%	12.22%	11.66%	12.43%
6.	SJW Corp.	SJW	50.6%	12.15%	11.73%	11.92%	12.49%	11.53%	12.10%
Average MRP (Relevered)			39.75%	11.12%	10.95%	11.01%	11.49%	10.85%	11.57%
									11.17%

Abra Water Company, Inc.
COST OF EQUITY (COE) USING RISK PREMIUM BUILD-UP METHOD
Based on Duff and Phelps Risk Premium Study Data

Equity Risk Premium Adjustment and Other metrics used in Build-up Method

Exhibit
Final Schedule D.4.5
Witness: Bourassa

[1] Estimate of Current Market Risk Premium (RP_{market})	5.00% <<<< Current Duff and Phelps recommendation
[2] Risk Premium Used in Duff & Phelps Study (1963-2013) ¹	4.90%
[3] Equity Risk Premium Adjustment ([1] - [2])	0.10%
[4] Average MRP (relevered) for publicly traded water companies (from Schedule D-4.5)	11.17%
[5] MRP (relevered) for publicly traded water companies (RP_{m+u}) ([3] + [4])	11.27%
[6] Equity Risk Premium Adjustment ([3])	0.10%
[7] Average MRP (relevered) for subject utility company (from Table 4)	0.00%
[8] MRP (relevered) for subject utility company (RP_{m+u}) ([6] + [7])	0.10%
[9] Industry Risk Premium (From Duff & Phelps for SIC 494 Water Supply Industry Exhibit 5-7)	-4.24%
[10] Adjustment Factor to Industry Risk Premium ([2] / 6.96% ¹)	0.7184
[11] Adjusted Industry Risk Premium (R_i) ([9] x [10])	-3.05%
[12] Risk Free Rate (R_f) ²	2.95%

¹ From Duff and Phelps Risk Premium Report 2014.

² Yield on 20 Yr U.S. Treasury August 20, 2014 (Federal Reserve)

Abra Water Company, Inc.
COST OF EQUITY (COE) USING RISK PREMIUM BUILD-UP METHOD
Based on Duff and Phelps Risk Premium Study Data

Cost of Equity (COE) Estimate using Build-up Method

$$E(R_i) = R_f + RP_{m+s} + RP_i + RP_u$$

Where:

$E(R_i)$ = Expected (Indicated) rate of return

R_f = Risk-free rate of return. See Rebuttal Schedule D-4.17.

RP_{m+s} = Market risk premium including size premium. See Rebuttal Schedule D-4.16.

RP_i = Industry risk premium (adjusted). See Schedule D-4-17.

RP_u = Company-specific risk premium

	Sample
	Publicly Traded
	Water
	<u>Utilities</u>
	<u>Abra Water Company, Inc.</u>
R_f =	2.95%
RP_{m+s} =	See Sched. D-4.16
RP_i =	-3.05%
RP_u =	0.00%

Exhibit
Final Schedule D-4.6
Witness: Bourassa

			Indicated COE E(R _i)						
	<u>Company</u>	<u>Symbol</u>	<u>MV</u> <u>Equity</u>	<u>Book</u> <u>Equity</u>	<u>MVIC</u>	<u>5 Yr Avg.</u> <u>Net Income</u>	<u>Total</u> <u>Assets</u>	<u>5 Yr Avg.</u> <u>EBITDA</u>	<u>Average</u>
1.	American States	AWR	10.16%	10.17%	10.19%	10.52%	10.28%	10.52%	10.31%
2.	Aqua America	WTR	6.95%	8.43%	7.06%	8.65%	8.11%	8.69%	7.98%
3.	California Water	CWT	10.73%	10.38%	10.59%	11.01%	10.12%	10.92%	10.63%
4.	Connecticut Water	CTWS	14.62%	13.35%	14.21%	14.08%	13.44%	14.78%	14.08%
5.	Middlesex	MSEX	12.16%	11.64%	12.13%	12.23%	11.66%	12.44%	12.04%
6.	SJW Corp.	SJW	12.15%	11.73%	11.92%	12.49%	11.53%	12.11%	11.99%
Average COE estimate			11.13%	10.95%	11.02%	11.50%	10.86%	11.58%	11.17%
Median COE Estimate			11.44%	11.01%	11.26%	11.62%	10.91%	11.51%	11.31%

Abra Water Company
Test Year Ended December 31, 2012
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Final Schedule H-1
Page 1

Line No.	Meter Size	Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues	
1	5/8x3/4 Inch	\$ 245,084	\$ 261,875	\$ 16,791	6.85%	90.76%	91.09%	
2	2 Inch	11,690	11,725	35	0.30%	4.33%	4.08%	
3	Standpipe	4,371	4,553	182	4.17%	1.62%	1.58%	
4	Coin-Op	4,905	5,109	204	4.17%	1.82%	1.78%	
5								
6								
7								
8	Total Revenues <u>before</u> Annualization	<u>\$ 266,051</u>	<u>\$ 283,263</u>	<u>\$ 17,212</u>	6.47%	98.52%	98.53%	
9								
10								
11								
12								
13								
14	5/8x3/4 Inch	\$ 125	\$ 124	\$ (1)	-0.72%	0.05%	0.04%	C-2, page 5.1
15	2 Inch	-	-	-	0.00%	0.00%	0.00%	C-2, page 5.2
16								
17								
18								
19								
20								
21	Total Revenue Annualization	<u>\$ 125</u>	<u>\$ 124</u>	<u>\$ (1)</u>	-0.72%	0.05%	0.04%	
22								
23								
24	Total Revenues <u>with</u> Rev. Annual. & Declining Usage	<u>\$ 266,176</u>	<u>\$ 283,387</u>	<u>\$ 17,211</u>	6.47%	98.57%	98.58%	
25								
26	Misc. Serv. Rev.	7,758	7,758	-	0.00%	2.873%	2.699%	
27	Declining Usage Adjustment	(3,395)	(3,615)	(220)				
28	Unreconciled Difference to C-1	(499)	(50)	449	-89.98%	-0.185%	-0.017%	
29								
30	Total Revenues	<u>\$ 270,040</u>	<u>\$ 287,480</u>	<u>\$ 17,441</u>	6.46%	101.26%	101.26%	
31								

Abra Water Company
Estimate of Metered Revenue Loss Assuming Customer Growth
Prior Test Year vs Current Test Year

Final Schedule H-1
Page 2
Witness: Bourassa

Line		[1]	[2]	[3]	[4]	[5]	[6]
No.	Meter Size, Class	Current TY Average No. Customers	Prior Rate Case Average Bill	Current rate case Average Bill	Expected Revenues Revenues Based On Prior Rate Case Avg Bill	Test Year Revenues Based On TY Average Bill	Revenue Loss Prior TY Vs Current Test Year
1	5/8x3/4 Inch	613.3	\$ 36.78	\$ 33.91	\$ 270,703	\$ 249,604	\$ (21,098)
2	2 Inch	1.0	203.10	985.28	2,437	11,823	9,386
3	Standpipe	1.5	209.48	242.84	3,771	4,371	600
4	Coin-Op	1.0	381.25	408.75	4,575	4,905	330
5							
6							
7							
8	Total	616.8			\$ 281,486	\$ 270,704	\$ (10,782)
9							
10	Revenue Loss as Percent						-3.83%
11							
12	Revenue Loss as Percent of Requested Rate Increase						61.82%
13							
14	Current Metered Revenues (including annualization)					\$ 266,176	
15	Proposed Metered Revenues (including annualization)						\$ 283,387
16	Expected Revenue Loss, as percent (33.3% of actual percentage of revenue loss)					-1.28%	-1.28%
17	Expected Revenue Decline					\$ (3,395)	\$ (3,615)
18							
19							
20							

Abra Water Company
Test Year Ended December 31, 2012
Analysis of Revenue by Detailed Class

Exhibit
Final Schedule H-2
Page 1
Witness: Bourassa

		(a)							
		Average							
		Number of							
		Customers							
Line		at	Average	Revenues		Proposed Increase			
No.	Meter Size	12/31/2012	Consumption	Present	Proposed	Dollar	Percent		
				Rates	Rates	Amount	Amount		
1	5/8x3/4 Inch	613	5,717	\$ 31.07	\$ 33.45	\$ 2.37	7.64%		
2	2 Inch	1	158,825	965.95	969.24	3.29	0.34%		
3	Standpipe	2	40,473	242.84	252.95	10.12	4.17%		
4	Coin-Op	1	68,126	408.75	425.78	17.03	4.17%		

Totals 617

(a) Average number of customers of less than one (1), indicates that less than 12 bills were issued during the year.

Abra Water Company
Test Year Ended December 31, 2012
Analysis of Median Bill by Detailed Class

Exhibit
Final Schedule H-2
Page 2
Witness: Bourassa

Line No.	Meter Size and Class	(a) Average Number of Customers at 12/31/2012	Median Consumption	Median Bill		Proposed Increase	
		Present Rates		Proposed Rates	Dollar Amount	Percent Amount	
1	5/8x3/4 Inch	613	5,500	\$ 30.25	\$ 32.63	\$ 2.38	7.86%
2	2 Inch	1	117,050	715.30	723.92	8.62	1.20%
3	Standpipe	2	7,500	45.00	46.88	1.88	4.17%
4	Coin-Op	1	55,000	330.00	343.75	13.75	4.17%
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16	Totals	<u>617</u>					

(a) Average number of customers of less than one (1), indicates that less than 12 bills were issued during the year.

Abra Water Company
Revenue Breakdown Summary
Present Rates

Exhibit
Final Schedule I
Page 3
Witness: Bouras

	Monthly Mins	Commodity First Tier	Commodity Second Tier	Commodity Third Tier	Total
5/8x3/4 Inch	\$ 103,040	\$ 41,821	\$ 70,453	\$ 29,895	\$ 245,209
2 Inch	\$ 1,344	\$ 1,881	\$ 8,465	\$ -	\$ 11,690
Standpipe	\$ -	\$ 4,371	\$ -	\$ -	\$ 4,371
Coin-Op	\$ -	\$ 4,905	\$ -	\$ -	\$ 4,905

TOTALS	\$ 104,384	\$ 52,978	\$ 78,919	\$ 29,895	\$ 266,176
Percent of Total	39.22%	19.90%	29.65%	11.23%	100.00%
Cummulative %	39.22%	59.12%	88.77%	100.00%	

Abra Water Company
Revenue Breakdown Summary
Company Proposed Rates

Exhibit
Final Schedule I
Page 3
Witness: Bouras

	Monthly <u>Mins</u>	Commodity <u>First Tier</u>	Commodity <u>Second Tier</u>	Commodity <u>Third Tier</u>	<u>Total</u>
5/8x3/4 Inch	\$ 120,557	\$ 42,239	\$ 69,944	\$ 29,260	\$ 261,999
2 Inch	1,572	1,867	8,286	-	11,725
Standpipe	-	4,553	-	-	4,553
Coin-Op	-	5,109	-	-	5,109

TOTALS	\$ 122,129	\$ 53,769	\$ 78,229	\$ 29,260	\$ 283,387
Percent of Total	43.10%	18.97%	27.61%	10.32%	100.00%
Cummulative %	43.10%	62.07%	89.68%	100.00%	

Abra Water Company
Test Year Ended December 31, 2012
Present and Proposed Rates

Exhibit
Final Schedule H-3
Page 1
Witness: Bourassa

Line No.	Monthly Service Charge for:	Present Rates	Proposed Rates
1	<u>Meter Size :</u>		
2	5/8 Inch	\$ 14.00	\$ 16.38
3	3/4 Inch	21.00	24.57
4	1 Inch	35.00	40.95
5	1 1/2 Inch	70.00	81.90
6	2 Inch	112.00	131.04
7	3 Inch	224.00	262.08
8	4 Inch	350.00	409.50
9	6 Inch	700.00	819.00
10	Standpipe	-	-
11	Coin-Op	-	-
12			
13	<u>Gallons In Minimum</u>	-	-
14			
15			
16			
17			
18	<u>Commodity Rates (per 1,000 gallons)</u>	<u>Present Rate</u>	<u>Proposed Rate</u>
19	5/8x3/4 Inch		
20	0 gallons to 3,000 gallons	\$ 2.25	\$ 2.27
21	3,001 gallons to 10,000 gallons	\$ 3.80	\$ 3.77
22	over 10,000 gallons	\$ 6.00	\$ 5.87
23	3/4 Inch		
24	0 gallons to 3,000 gallons	\$ 2.25	\$ 2.27
25	3,001 gallons to 10,000 gallons	\$ 3.80	\$ 3.77
26	over 10,000 gallons	\$ 6.00	\$ 5.87
27	1 Inch		
28	0 gallons to 16,000 gallons	\$ 3.80	\$ 3.77
29	over 16,000 gallons	\$ 6.00	\$ 5.87
30	1 1/2 Inch		
31	0 gallons to 30,000 gallons	\$ 3.80	\$ 3.77
32	over 30,000 gallons	\$ 6.00	\$ 5.87
33	2 Inch		
34	0 gallons to 45,000 gallons	\$ 3.80	\$ 3.77
35	over 45,000 gallons	\$ 6.00	\$ 5.87
36			

Abra Water Company
Test Year Ended December 31, 2012
Present and Proposed Rates

Exhibit
Final Schedule H-3
Page 2
Witness: Bourassa

Line No.	<u>Commodity Rates (per 1,000 gallons)</u>	<u>Block</u>	<u>Present Rate</u>	<u>Proposed Rate</u>
1				
2	3 Inch	0 gallons to 90,000 gallons	\$ 3.80	\$ 3.77
3		over 90,000 gallons	\$ 6.00	\$ 5.87
4				
5	4 Inch	0 gallons to 145,000 gallons	\$ 3.80	\$ 3.77
6		over 145,000 gallons	\$ 6.00	\$ 5.87
7				
8	6 Inch	0 gallons to 300,000 gallons	\$ 3.80	\$ 3.77
9		over 300,000 gallons	\$ 6.00	\$ 5.87
10				
11				
12	Standpipe/Coin-Op		\$ 6.00	\$ 6.25
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
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28				
29				
30				
31				
32				
33				
34				
35				

Abra Water Company
Changes in Representative Rate Schedules
Test Year Ended December 31, 2012

Exhibit
Final Schedule H- 3
Page 3
Witness: Bourassa

Line
No.

1			
2			
3	<u>Other Service Charges</u>	Present	Proposed
4	Establishment	<u>Rates</u>	<u>Rates</u>
5	Establishment (After Hours)	\$ 30.00	\$ 30.00
6	Reconnection (Delinquent)	40.00	40.00
7	Reconnection (Delinquent and After Hours)	50.00	50.00
8	Meter Test (If meter reading correctly)	50.00	50.00
9	Deposit	(a)	(a)
10	Deposit Interest	6.00%	6.00%
11	Re-Establishment (With-in 12 Months)	(b)	**
12	Re-Establishment (After Hours)	(b)	**
13	NSF Check	\$ 25.00	\$ 25.00
14	Deferred Payment, Per Month	1.50%	1.50%
15	Meter Re-Read (if correct)	\$ 20.00	\$ 20.00
16	Late Charge per month (per R-14-2-409G(6))	1.50%	1.50%
17	Fire Sprinkler	(c)	(c)
18			
19			
20			
21			
22			
23			
24			
25	(a) Residential - two times the average bill. Non-residential - two and one-half times the average bill. R14-2-403(B)(7)		
26	(b) Months off system times the minimum. PER COMMISSION RULE (R14-2-403.D)		
27	© 2 percent of the monthly minimum for a comparable size meter connection but not less than \$10 per month.		
28			
29			
30			
31	IN ADDITION TO THE COLLECTION OF REGULAR RATES, THE UTILITY WILL COLLECT FROM		
32	ITS CUSTOMERS A PROPORTIONATE SHARE OF ANY PRIVILEGE, SALES, USE, AND FRANCHISE		
33	TAX. PER COMMISSION RULE (14-2-409.D 5).		
34			
35	ALL ADVANCES AND/OR CONTRIBUTIONS ARE TO INCLUDE LABOR, MATERIALS, OVERHEADS,		
36	AND ALL APPLICABLE TAXES.		
37			
38			

Abra Water Company
Test Year Ended December 31, 2012
Service Charges
Meter and Service Line Charges

Exhibit
Final Schedule H-3
Page 4
Witness: Bourassa

Line
No.

		Proposed	Proposed		Proposed	Proposed	
		Service	Meter	Total	Service	Meter	Total
		Line	Install-	Proposed	Line	Install-	Proposed
		Charge	ation	Charge	Charge	ation	Charge
		Charge	Charge	Charge	Charge	Charge	Charge
6	5/8 x 3/4 Inch	\$ 380.00	\$ 95.00	\$ 475.00	\$ 380.00	\$ 95.00	\$ 475.00
7	3/4 Inch	335.00	165.00	500.00	335.00	165.00	500.00
8	1 Inch	350.00	200.00	550.00	350.00	200.00	550.00
9	1 1/2 Inch	470.00	430.00	900.00	470.00	430.00	900.00
10	2 Inch	590.00	735.00	1,325.00	590.00	735.00	1,325.00
11	3 Inch	660.00	1,045.00	1,705.00	660.00	1,045.00	1,705.00
12	4 Inch	910.00	1,630.00	2,540.00	910.00	1,630.00	2,540.00
13	6 Inch	1,410.00	3,235.00	4,645.00	1,410.00	3,235.00	4,645.00
14							
15							
16							
17							
18							
19							
20							
21							
22							